

## **MAGMA FLOOD CONTROL DISTRICT**

### **MINUTES OF THE**

### **TUESDAY, JULY 31, 2018 MEETING**

The Regular Meeting was called to order by Board President Vinson Dobson at 4:02 p.m. at the Florence Unified School District Anthem K-8 Band Room, 2700 N. Anthem Way Florence, Arizona. Appearing telephonically were District Board President Vinson Dobson, Director James Kenny, Director Tyler LeSueur and District Counsel Stephen R. Cooper. Also present in person at the Meeting was Kent Pace, General Manager. The Meeting was properly posted within the boundaries of the District and a phone number of 1-800-920-7487 was provided for individuals residing within and without the District to appear telephonically for the Meeting. There were no public members present and introductions were not necessary.

General Manager Kent Pace gave a brief update on issues involving desiccation cracking and erosion issues on the surface of the dam. General Manager Kent Pace also noted engineers were working to finalize the grant application which, if approved, would provide significant funding for the Middle Magma Regional Flood Control Project. Letters of support for the project have been received from Pinal County and the Central Arizona Project. A letter of support was also expected from the Town of Florence. General Manager Kent Pace next gave a brief update of District business and noted:

- The proposed budget will be \$2,864,815.00 dollars for fiscal year 2018-2019.
- The proposed tax rate will be 1.0784% for fiscal year 2018-2019 (property tax year 2018).

General Manager Kent Pace noted the proposed budget for fiscal year 2018-2019 allows the District to pursue the Rock Mulch & Hydroseeding project and Phase I of the Middle Magma Regional Flood Control Project. These projects will be subject to future review and approval of the Board.

The next item of business was consideration of the approval of the Minutes of the Regular and Executive Board Minutes of June 5, 2018. President Dobson stated he was not present at this meeting and would be abstaining from any vote to approve these Minutes. A motion was made by Tyler LeSueur to approve the Regular Meeting and Executive Session Minutes. James Kenny seconded this motion. Thereafter, the Minutes for the Regular Session and Executive Session were approved with President Dobson abstaining from voting. A motion was then made by Tyler LeSueur to ratify actions of the June 5, 2018 Meeting. It was seconded by James Kenny and was thereafter approved with President Dobson abstaining from voting.

Director Tyler LeSueur moved to go into Executive Session which was seconded by Director James Kenny. The motion was approved.

The next item of business was an Executive Session which was conducted from 4:08 p.m. to 4:36 p.m. and thereafter the public meeting was reconvened.

A motion was made by President Dobson to authorize the General Manager and legal counsel to proceed as directed in the Executive Session. The motion was seconded by Tyler LeSueur and was thereafter approved.

The next item of business was to consider ratifying the General Manager's authorization for JE Fuller to prepare the NRCS Watershed and Flood Prevention Operations Grant Application which, if approved, would provide funding for the Middle Magma Regional Flood Control Project.

General Manager Pace noted he was also seeking approval to complete and submit the grant application to NRCS for the proposed Middle Magma Regional Flood Control Project. A motion was made by Director Tyler LeSueur and was seconded by Director James Kenny to ratify the actions of the General Manager and to direct the General Manager and J E Fuller to take all actions necessary to authorize and submit the grant application to NRCS for the Middle Magma Regional Flood Control Project. The motion was thereafter approved unanimously.

The next item of business was to approve a combined Resolution 2018-7.1 to allow the Pinal County Treasurer to purchase, hold, and sell interest bearing securities (as authorized by law) on behalf of the District, as well as to authorize General Manager Pace and Assistant Secretary Larry Pfeiffer to issue warrants and to complete other banking functions on behalf of the District. A motion was made by President Dobson to approve the Resolution and was seconded by Director Tyler LeSueur. The motion was thereafter approved unanimously.

The next item of business was discussion of the budget for fiscal year 2018-2019. General Manger Pace noted the proposed budget would be \$2,864,815.00 dollars. Manager Pace stated the proposed budget allows the District to pursue 1) the needed maintenance and repair issues with the dam through the Rock Mulch & Hydroseeding project, and 2) to begin studying and identifying solutions for the existing long-term regional flood control issues outlined within Phase I of the Middle Magma Regional Flood Control Project. However, MFCD's expenses and distributions (including these 2 projects) would be limited to the actual revenues it received (or the District's actual cash position) as detailed within the proposed budget form. To fund the fiscal year 2018-2019 proposed budget, the proposed tax rate is 1.0784% which although double fiscal year 2018, is only 40% of the fiscal year 2016 tax rate (a 60% reduction in the tax rate from the fiscal year

2016). General Manager Pace noted if the average home owner's assessed valuation had not changed much since the previous study (the average assessed valuation in the District was previously determined to be \$103k), the average homeowner would pay Magma Flood Control District approximately \$111.08 in fiscal year 2018-2019 vs. the \$55.54 paid in fiscal year 2017-2018 (an increase of about \$4.63/month). A motion was made by Director Tyler LeSueur and seconded by Director James Kenny to approve the budget for fiscal year 2018-2019. Thereafter, this matter was unanimously approved.

The next item of business was discussion of the 2018-2019 tax rate. The Board Members discussed that the proposed tax rate of 1.0784% is double the prior year rate (the tax rate for fiscal year 2017-2018 was 0.5392%). As discussed in the previous agenda item, Manager Pace had noted that the proposed tax rate, although double fiscal year 2018, is only 40% of the fiscal year 2016 tax rate (a 60% reduction in the tax rate from the fiscal year 2016). Additionally, the proposed tax rate allows the District to pursue in its annual budget 1) the needed maintenance and repair issues with the dam through the Rock Mulch & Hydroseeding project, and 2) to begin studying and identifying solutions for the existing long-term regional flood control issues outlined within Phase I of the Middle Magma Regional Flood Control Project. A motion was made by Director Tyler LeSueur and seconded by Director James Kenny to establish a tax rate of 1.0784% which would generate property tax revenues in the District to be approximately \$632,688.00 dollars for the fiscal year 2018-2019. Thereafter, this matter was unanimously approved.

The next item of business was approval of the future meetings schedule for the District. President Dobson noted meetings that occur on the first Tuesday of the month conflict with other meetings. It was proposed the District hold the following scheduled meetings for FY 2018-2019:

September 12, 2018  
December 12, 2018  
March 13, 2019  
June 12, 2019

It was further noted these meetings would begin at 4:00 p.m. at the Florence Unified School District Anthem K-8 Band Room where the District now holds its meetings. President Dobson moved to approve the proposed meeting schedule and was seconded by Director Tyler LeSueur and thereafter it was approved.

The next items of business were Board reports. There were no reports to come before the Board.

The next item of business was General Manager reports. There were no other reports.

The next item of business was other business which came before the Board. There were no items of other business.

The next item of business was adjournment of the meeting at 4:52 p.m.

**RESPECTULLY SUBMITTED** this \_\_\_\_\_ day of August, 2018.

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**STEPHEN R. COOPER, Attorney for  
MAGMA FLOOD CONTROL DISTRICT**